

Status: Ready To File

Western Massachusetts Electric Company
Docket No. DTE 04-106

Information Request DTE-03
Dated: 12/17/2004
Q- DTE3-001
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Witness: Richard A. Soderman
Request from: Department of Telecommunications and Energy

Question:

Please provide a description of the NUSstart program. Include, among other details, how the program operates, what means of outreach the Company uses to contact eligible customers, whether the Company coordinates its efforts with other low-income programs, whether the Company allows for renegotiated payment plans for eligible customers, what the period of regular payments are required before arrearages are forgiven and how that compares to similar programs operated by other Massachusetts utilities, and how the Company measures the success of the program. In addition, please provide documentation (e.g., pamphlets, brochures, etc.) that the Company, or its affiliates have produced that describe the NUSstart program.

Response:

The NUSstart payment incentive program is designed to help low- and fixed-income customers maintain year-round electric service. Through NUSstart, customers can reduce -- and even eliminate -- their past-due balance by paying an agreed-upon budgeted amount on time, each month. WMECO believes that NUSstart provides more benefit to customers than programs offered by other Massachusetts utilities.

Customers are eligible for NUSstart if they:

- Have applied for and are eligible to receive energy assistance funds.
- Have a past-due balance of \$100 or more on a WMECO bill which is 60 days overdue, or more.
- Have income at or below 200% of the federal poverty level.
- Have not been dropped from NUSstart for nonpayment within a year.

Customers who are accepted into the NUSstart program have their delinquent receivables removed from their service account and held in a separate NUSstart account. The Credit Center calculates a monthly budget payment based on historical usage if available. The budget payments do not include an amount for repayment of the delinquent amount. The budget payment amount is recalculated annually. In situations where an initial payment is required, WMECO will, on a case-by-case basis, negotiate an initial payment that will provide a customer with a reasonable opportunity to complete the NUSstart program successfully. NUSstart customers must make all budgeted monthly payments, in full and on time. Through NUSstart customers will receive:

- Continued year-round electric service as long as they make their budgeted payments on time each month.
- Financial rewards to help eliminate their past-due balance over time. With each month's budget payment, customers receive a credit toward the overdue amount of their bill. Customers are notified of their credits each month. Credits will not exceed \$599 per year.

Information and resources to help customers successfully manage all of their household expenses, including their energy costs, and identify ways to control their energy consumption. Examples include the Money Matters workshops; energy audits through MassSAVE, a statewide collaboration among Massachusetts electric and natural gas utilities; weatherization services through the Energy-Savings Program; and Energy Bucks, a collaborative outreach effort among investor-owned utilities across the state.

Customers who are removed from NUStart for nonpayment will be required to make up all payments missed (this does not apply if service is terminated for nonpayment); will have their remaining past-due balance added back on to their bill; and will be referred to the Credit Center for credit and collections action. The Credit Center can make a payment arrangement or can specify the payment needed for reinstatement into NUStart.

The outreach and communications plans have not yet been developed. At the start of the program, WMECO will issue a news release for the print, radio and TV media, and include information in its Consumer News bill insert. The communications plan will include promotional information in Consumer News and on-bill messages several times a year as well as publication on WMECO's web site. In the interim, the Company will work with local agencies to develop a plan to support NUStart outreach. WMECO will also re-evaluate the program.

WMECO will evaluate the program periodically to measure program success. Metrics considered in the evaluation will include, but not be limited to, percentage of customers completing the program, number of payments, level of arrearage and annual consumption. Additionally, WMECO will track at least a representative sample of individual customer records in order to provide a basis for its estimates of costs and benefits, including historical comparative data, and will summarize this information no less frequently than semi-annually.

A copy of Connecticut Light & Power Company's ("CL&P") brochure is attached.